



ENERGY ASSURANCE DAILY

Thursday Evening, August 06, 2009

Electricity

Update: Exelon's 1,154 MW Braidwood Nuke Unit 2 in Illinois Ramped Up to 78 Percent by August 5

When the unit automatically tripped from full power late July 30, the Nuclear Regulatory Commission (NRC) declared it "an unusual event." The NRC reported that on the morning of August 5 the unit was operating at 16 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Electrical Fault Starts Small Fire, Forces Shutdown of Energy Northwest's 1,107 MW Columbia Generating Station Nuke Unit in Washington State August 5

According to officials with Energy Northwest, an electrical fault ignited a small fire within the plant that was then extinguished within 20 minutes. The plant will remain offline until the repairs and an investigation are completed. The Nuclear Regulatory Commission reported that on the morning of August 4 the unit was operating at full power.

<http://www.komonews.com/news/local/52556192.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Reliant's 320 MW Etiwanda Gas-fired Unit 4 in California Returns to Service August 4

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200908041515.html>

FERC Chairman Says U.S. to Rely 'More' on Gas-Fired Electricity as Shift towards Renewable Sources Continues

In testimony before a U.S. Senate Committee, the Chairman of the Federal Energy Regulatory Commission (FERC) said as the U.S. shifts to more renewable sources such as wind and solar power, the country will be able to rely more on natural gas fired electricity. With the natural gas supply resource base increasing by more than 50 percent in the last few years, Chairman Wellinghoff said utilization of additional gas-fired power could lower carbon emissions.

<http://www.ferc.gov/congress/cong-test/2009/08-06-09-wellinghoff.pdf>

Dow Jones Newswires, 12:20 August 6, 2009

Petroleum

Refineries Located in Corpus Christi, Texas May Be Affected by Water Conservation Efforts Prompted by Two-Year Drought

A spokesperson for the City of Corpus Christi explained oil refineries in the area may be affected by the possible adoption of a water conservation measure put forth by the city. In an effort to combat a two-year drought that shows no sign of relief, the city can require refineries to reduce their water usage by 10 percent if the water supply in the area drops to below 30 percent. Current water supply availability is at 60 percent. A Valero company spokesperson said refinery production is directly "tied" to water use and water restriction would hamper production. There are three refineries currently in operation in Corpus Christi, Texas; Valero's 142,000 b/d refinery, Flint Hills Resources' 288,126 b/d, and Citgo's 156,000 b/d.

Bloomberg News, 13:01 August 6, 2009

<http://www.caller.com/news/2009/aug/03/water-restrictions-would-restrict-key-industries/>

FCC Unit at Valero's 180,000 b/d Memphis, Tennessee Refinery Shut After Leak Discovered August 6

A representative for the company reported a 70,000 b/d fluid catalytic cracker (FCC) unit at its Memphis refinery was shut because of a leak. The flue gas cooler needs to be repaired, the representative said. No estimate for restart was available.

Bloomberg News, 12:20 August 6, 2009

Dow Jones Newswire, 12:20 August 6, 2009

Update: FCC Unit Restarted at Coffeyville Resources' 115,700 b/d Coffeyville, Kansas Refinery August 6

The fluid catalytic cracker (FCC) unit was shut on July 24.

Reuters, 11:43 August 6, 2009

Update: Coking Unit at Valero's 289,000 b/d Port Arthur, Texas Refinery Returns to Planned Rates by August 6

The company reported the coking unit at its refinery in Port Arthur has returned to planned rates following a shutdown for unplanned repairs earlier this week.

Reuters, 09:43 August 6, 2009

Brief Power Failure Reported at ExxonMobil's 348,500 b/d Beaumont, Texas Refinery August 5

According to a filing with state regulators, the company reported a power failure at its Beaumont refinery in Texas that caused a valve to fail within a unit. A company representative added there was no impact to production.

Bloomberg News, 12:08 August 6, 2009

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=127760>

Update: Alaska Cook Inlet Oil Production to Resume Next Week, Chevron Official Reports

Following a four month shutdown of production in the Cook Inlet area of Alaska due to the Redoubt Volcano, a spokesperson for Chevron said the company plans to restart production at both the Trading Bar and Granite Point fields by early next week. Redoubt Volcano has quieted and an onshore oil-loading terminal is being placed back into service in the Cook Inlet area. The restart is expected to last approximately one week, with production rates likely returning to slightly below pre-shutdown rates due to the potential for some deterioration in the fields.

<http://www.reuters.com/article/rbssEnergyNews/idUSN0527628020090805>

OSHA to Fine Sinclair's 70,300 b/d Tulsa, Oklahoma Refinery for 'Willful' Safety Violations

The U.S. Occupational Safety and Health Administration (OSHA) is charging Sinclair Oil Company's refinery in Tulsa, Oklahoma a fine of over \$240,000 for not responding to mandated safety improvements in the workplace.

http://www.tulsaworld.com/business/article.aspx?subjectid=49&articleid=20090805_49_E1_Sincla16574

Natural Gas

Update: Williams Reports Successful Open Season on Expansion Project of Transco's Northeast Connector and Rockaway Delivery Lateral

Williams announced recently it has completed a successful binding open season for its proposed Northeast Supply Project, an expansion of the Transco pipeline system designed to provide East Coast markets with additional access to natural gas provided by the Transco pipeline. As a result of the open season, shippers for the Northeast Connector and the Rockaway Delivery Lateral have implemented agreements for 100,000 and 647,000 Dth/d of firm transportation capacity, respectively. Williams anticipates that the project will be available beginning late 2012, subject to approval by the Federal Energy Regulatory Commission.

http://www.downstreamtoday.com/news/article.aspx?a_id=17536

<http://www.b2i.us/profiles/investor/ResLibraryView.asp?>

Canadian Natural Resources Reports Profit, Production Increase on Alberta Oil Sands

Canadian Natural Resources reported recently a profit and output increase after operations started at its Horizon oil-sands project in northeastern Alberta. Specifically the company raised its oil-production forecast to between 346,000 b/d and 382,000 b/d from 326,000 b/d and 389,000 b/d. It also raised its gas-output outlook to between 1.29 Bcf/d and 1.33 Bcf/d from 1.27 Bcf/d and 1.33 Bcf/d.

<http://www.bloomberg.com/apps/news?pid=20601082&sid=a7cSax9EeyI4>

Other News

State Government of Utah Cuts Work Week to 4-Days, Resulting in 13 Percent Reduction in Energy Use

On the one year anniversary of the program, State officials report a 13 percent reduction in overall energy use within government offices in the executive branch as a result of adjusting the standard work week from the traditional 5-day work week to a 4-day, 10-hour-a-day work week. The experiment is being monitored nationally and could be taken as an example for other states or cities to follow.

<http://www.cnbc.com/id/32299129>

Department of Energy Selects Five Markets to Test Transportation Electrification Technology

The U.S. Department of Energy has announced the selection of five markets, in California, Arizona, Tennessee, Oregon and Washington to implement transportation electrification projects and study techniques for optimizing the vehicle charging infrastructure supporting widespread electric vehicle deployment.

<http://www.marketwire.com/press-release/San-Diego-Gas-and-Electric-NYSE-SRE-1026450.html>

About 15,000 Drums of Depleted Uranium Oxide to be Shipped from South Carolina for Disposal in Utah

The Department of Energy recently awarded EnergySolutions a contract to deposit 14,800 drums depleted uranium oxide from the Savannah River Site waste site in South Carolina to be disposed in Utah. Overall, shipments are to take place over a period of 14 months. It was not reported when the shipments will begin.

<http://www.thesunnews.com/575/story/1010453.html>

Energy Prices

U.S. Oil and Gas Prices			
August 6, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	71.33	66.67	118.57
NATURAL GAS Henry Hub \$/Million Btu	3.61	3.41	8.70

Source: Reuters

Energy Notes

Alon USA CEO Expects 10 Percent of U.S. Refining Capacity to be Idle for Several Years as Refiners Face Low Demand, Consolidation

Reuters, 10:32 Reuters, August 6, 2009

Duke Energy Applies for \$214 Million in Federal Stimulus Grants to Accelerate its Smart Grid Projects in Five States – Ohio, Kentucky, North Carolina, South Carolina, and Indiana

Reuters, 12:04 August 6, 2009

PSE&G Applies for \$152 Million in Federal Stimulus Grants to Fund ‘Shovel Ready’ Smart Grid Projects – Including Deployment of Advanced Loop Scheme Technology, Upgrades to Over 40 Substations throughout New Jersey

PRNewswire, 11:48 August 6, 2009

Ameren Illinois Utilities Applies for \$45 Million in Federal Stimulus Grants to Fund Smart Grid Projects – Including Upgrades to Over 100 Substations throughout Illinois

PRNewswire, 12:37 August 6, 2009

Dominion Virginia Power Applies for Federal Stimulus Funds to Accelerate Installation of 2.4 Million 'Smart Meters'

http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/08-06-2009/0005073170&EDATE=

Update: El Nino Prompts NOAA to Cut 2009 Atlantic Hurricane Forecast to 7-11 Tropical Storms and 3-6 Hurricanes August 6

Reuters, 12:46 August 6, 2009

Severe Weather Knocks out Power to Over 10,000 TXU Energy Customers in Texoma, Texas and Oklahoma August 5

<http://www.kten.com/Global/story.asp?S=10855536>

PG&E's Diablo Canyon Nuke Unit 2 in California to Get New Reactor Head during Next Refueling

http://nuclearstreet.com/blogs/nuclear_power_news/archive/2009/08/05/diablo-canyon-nuclear-plant-to-get-new-reactor-head-1818.aspx

Update: Obama Administration Grants Time Extension to Developer of Planned Uranium Enrichment Plant in Ohio

<http://www.wtopnews.com/?nid=111&sid=1727310>

Groundbreaking Held for 84 MW Hydroelectric Facility at Cannelton Locks and Dam in Kentucky

<http://www.chaseenergy.com/2009/08/06/power-news/>

PdVSA's Orinoco Heavy Crude Region in Venezuela Returns to Full Production Following OPEC-Mandated Cuts

Reuters, 11:28 August 6, 2009

Fire Kills Six People at Work Camp near 500,000 b/d Khursaniyah Oil Field in Saudi Arabia, Output Not Affected

Reuters, 12:32 August 5, 2009

Iran to Invest \$1 Billion in LNG Project, Construction Now 24 Percent Complete

http://www.rigzone.com/news/article.asp?a_id=78995

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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